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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

Bankruptcy Case No. 19-30088 (DM)

PG&E CORPORATION,

Chapter 11

- and -

(Lead Case) (Jointly Administered)

PACIFIC GAS AND ELECTRIC COMPANY,

Debtors.

REORGANIZED DEBTORS' REPLY IN FURTHER SUPPORT OF FIFTEENTH SECURITIES CLAIMS OMNIBUS OBJECTION (SECURITIES ACQUIRED OUTSIDE SUBJECT PERIOD)

- Affects PG&E Corporation
- Affects Pacific Gas and Electric Company
- Affects both Debtors

[Related to Docket Nos. 11343, 11520, 11638, 11809, 12057, 12394]

Date: June 7, 2022

Time: 10:00 a.m. (Pacific Time)

Place: (Tele)Videoconference A

United States Bankruptcy

Courtroom 17, 16th Floor

** All papers shall be filed in the Lead Case, No. 19-30088 (DM).*

1 PG&E Corporation (“**PG&E Corp.**”)¹ and Pacific Gas and Electric Company (the “**Utility**”), as
2 debtors and reorganized debtors (collectively, “**PG&E**,” the “**Debtors**,” or the “**Reorganized Debtors**”)
3 in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”), hereby submit this reply in further
4 support of the *Reorganized Debtors’ Fifteenth Securities Claims Omnibus Objection (Securities*
5 *Acquired Outside Subject Period)*, dated September 28, 2021 [Docket No. 11343] (the “**Objection**”),
6 with respect to Claim No. 102822 (the “**Oliveros Claim**”)² submitted by Franklin F. Oliveros and
7 Zenaida C. Oliveros (the “**Claimants**”), and to address the informal response to the Objection received
8 from the Claimants on October 21, 2021 (the “**Response**”).³

9 PRELIMINARY STATEMENT

10 On April 24, 2020, the Reorganized Debtors received the Oliveros Claim, which contains no
11 information indicating any purchase or acquisition of PG&E securities within the Subject Period
12 (April 29, 2015 through November 15, 2018). *See* Slack Decl., Ex. A at 1. Instead, the Oliveros Claim
13 stated that the Claimants obtained 125 shares of PG&E securities at some point in the “1980’s,” at least
14 25 years prior to the Subject Period. *See id.*

15 On September 28, 2021, the Reorganized Debtors filed the Objection, listing the Oliveros Claim
16 as among those to be disallowed and expunged. Because the Extended Securities Bar Date Order does
17 not apply to the Oliveros Claim, as it does not relate to any transactions for the purchase or acquisition
18 of PG&E securities within the Subject Period, and the Oliveros Claim was filed well after the Initial Bar
19 Date, the Oliveros Claim is therefore subject to disallowance and expungement for untimeliness under
20 the Bar Date Order. Moreover, the proof of claim underlying the Oliveros Claim provides no substantive
21 basis for a claim based on the holding of stock purchased approximately 40 years ago.

22
23
24 ¹ Capitalized terms not defined herein have the meaning ascribed to them in the Objection (defined
herein) or the *Order Approving Securities ADR and Related Procedures for Resolving Subordinated*
25 *Securities Claims*, and exhibits thereto, dated January 25, 2021 [Docket No. 10015] (the “**Securities**
Claims Procedures Order”), as applicable.

26 ² The Oliveros Claim is attached as Exhibit A to the *Declaration of Richard W. Slack in Further Support*
of *Reorganized Debtors’ Fifteenth Securities Claims Omnibus Objection (Securities Acquired Outside*
27 *Subject Period)* (the “**Slack Declaration**”), filed contemporaneously herewith.

28 ³ The Response is attached as Exhibit B to the Slack Declaration.

1 The Claimants never formally responded to the Objection. Instead, on October 12, 2021, the
2 Claimants sent a one-page, handwritten letter to Kroll Restructuring Administration LLC (formerly
3 known as Prime Clerk LLC), the Reorganized Debtors' noticing agent, stating that they "object [to] the
4 offer of [the Reorganized Debtors] in this case." *See* Slack Decl., Ex. B at 1. In that letter, the Claimants
5 requested that the Reorganized Debtors "pay our stopped dividends and if possible our plan to sell the
6 stock." *See id.* The Claimants did not address any of the issues raised in the Objection, nor provide any
7 trading information showing purchases or acquisitions within the Subject Period. *See id.*

In an effort to reach a consensual resolution of the Response, the Reorganized Debtors adjourned the hearing with respect to the Oliveros Claim to June 7, 2022. *See Notice of Continued Hearing with Respect to One Claim in the Reorganized Debtors' Fifteenth Securities Claims Omnibus Objection (Securities Acquired Outside Subject Period)*, dated May 17, 2022 [Docket No. 12394]. Despite the Reorganized Debtors' repeated attempts, the Claimants have failed to substantively respond to the Objection or provide any information that establishes a claim based on PG&E securities purchased during the Subject Period. *See generally* Slack Decl., Exs. C, D.⁴ Therefore, the Oliveros Claim should be disallowed and expunged.

ARGUMENT

The Oliveros Claim should be disallowed and expunged because it did not relate to any trading data indicating purchases or acquisitions of PG&E securities within the Subject Period and is therefore untimely. As set forth in the Objection, the Claimants received notice of the Extended Securities Bar Date, as well as a customized proof of claim form for securities claims (the “**Rescission or Damage Proof of Claim Form**”). *See* Obj. § II. Annex A of the Rescission or Damage Proof of Claim Form specifically required the Claimants to provide trade-level detail of their transactions of PG&E securities, including the securities held at the beginning and end of the Subject Period. *See* Slack Decl., Ex. A at 1. In the Rescission or Damage Proof of Claim Form received by the Reorganized Debtors on April 24, 2020, the Claimants did not allege any purchase or acquisition of PG&E securities during the Subject Period. *See id.* Instead, the Claimants only indicated that they purchased or acquired 125 shares of

⁴ The Reorganized Debtors' reply letter, dated January 19, 2022, and follow-up letter, dated March 9, 2022, are attached to the Slack Declaration as Exhibit C and Exhibit D, respectively.

1 PG&E securities in the 1980s and held the same number of shares as of November 15, 2018, the end of
2 the Subject Period. *See id.*

3 Similarly, the Response set forth neither any transaction information establishing any purchase
4 or acquisition of PG&E securities during the Subject Period, nor any reason that the Objection should
5 not be sustained. *See Slack Decl., Ex. B at 1.* Rather, the Response requested that the Reorganized
6 Debtors “pay our stopped dividends and if possible our plan to sell the stock.” *See id.* The Court has
7 previously disallowed and expunged claims that do not relate to any transactions for the purchase or
8 acquisition of PG&E securities within the Subject Period and the Court should once again do so here.
9 *See Order Disallowing and Expunging Proofs of Claim Pursuant to Reorganized Debtors’ Fifteenth
10 Securities Claims Omnibus Objection (Securities Acquired Outside Subject Period)*, dated
11 November 4, 2021 [Docket No. 11531].

12 The Extended Securities Bar Date does not apply to claims that do not relate to any purchase or
13 acquisition of PG&E securities within the Subject Period. *See Obj. § IV.A.* Accordingly, if such claims
14 were filed after the Initial Bar Date, they are untimely and subject to disallowance and expungement.
15 *See id.* The Oliveros Claim was received by the Reorganized Debtors well after the Initial Bar Date and
16 did not assert any purchase or acquisition of PG&E securities during the Subject Period. The Response
17 does not address, much less rebut, this issue. Therefore, the Oliveros Claim should be disallowed and
18 expunged on the basis of untimeliness under the Bar Date Order.

19 In addition, the Oliveros Claim fails to adequately assert a substantive claim. There is nothing
20 in the proof of claim or the Response that establishes a *prima facie* claim based on holding stock
21 purchased approximately 40 years ago.

CONCLUSION

For the foregoing reasons, the Reorganized Debtors respectfully request that the Court enter an order disallowing and expunging the Oliveros Claim.

Dated: May 31, 2022

**WEIL, GOTSHAL & MANGES LLP
KELLER BENVENUTTI KIM LLP**

By: /s/ Richard W. Slack
Richard W. Slack

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